BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001



POSTAL RATE AND FEE CHANGES, 1997

Docket No. R97-1

NOTICE CONCERNING RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS O'HARA TO INTERROGATORY OF VAL PAK - CAROL WRIGHT (VP-CW/USPS-T30-4)

On September 4, 1997, the United States Postal Service filed the response of witness O'Hara to VP-CW interrogatory T30-4.

Recent telephone traffic suggests that some copies of that response served upon the parties did not include the first page of the response. Accordingly, the Postal Service is providing all parties with the attached copy of the complete response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

Michael T Tidwell

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260-1137 (202)268-2998/FAX: -5402 September 18, 1997

RESPONSE OF U.S. POSTAL SERVICE WITNESS O'HARA TO INTERROGATORIES OF VAL-PAK / CAROL WRIGHT

VP-CW/USPS-T-30-4.

- a Your testimony at pp. 2-3 lists the nine criteria of 39 U.S.C. 3622(b). In your opinion, under which of the nine criteria should the actual performance in delivery be reflected? If you do not consider actual service performance to be relevant to the establishment of pricing levels, please explain why.
- b. (i) Please indicate those subclasses for which have you endeavored to take account of actual performance in delivery provided by the Postal Service, and (ii) please indicate how such performance in delivery affected your recommendation to increase or reduce the cost coverage.

RESPONSE:

- a. Service actually provided is considered under value of service (criterion 2).
- b. Because the Postal Service does not have nationally representative service performance data for most subclasses, my consideration of this aspect of value of service relied upon the relative service standards for the various subclasses, as detailed in the sources referenced in my response to DMA/USPS-T30-4c. My discussion of value of service for each of the subclasses in my testimony assumes that the relative levels of service actually provided for the various subclasses corresponds to their relative service standards, even though for each subclass some portion of the volume, perhaps varying from subclass to subclass, will not be delivered within its standard. In addition, I review various postal indicators of service performance and I am generally aware of customer concerns about service levels through my reading of trade publications and reports from other postal employees. None of this additional information dissuaded me from my

RESPONSE OF U.S. POSTAL SERVICE WITNESS O'HARA TO INTERROGATORIES OF VAL-PAK / CAROL WRIGHT

general understanding that the relative levels of service actually provided to various subclasses reflect their relative service standards.

CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

Michael T. Tidwell

475 L'Enfant Plaza West, S.W. Washington, D.C. 20260-1145 September 18, 1997